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22 February 1972

MEMORANDUM FOR: Admiral Showers

SUBJECT : Background Materials for CIRIS Briefing to ASD(I)

1. Attached is a part of the DCI/NIPE history prepared personally by John Bross as his final official act after turning over his duties to Mr. Tweedy.

2. This statement covers the period from the establishment of DCI/NIPE in the McCone era (ca 1963) through 1 January 1971. Mr. Bross, assisted by [redacted] did the research and writing of this history and completed it in March 1971.

3. Because of the frank comments herein, this could not be shown to outsiders, and probably could have only limited circulation within NIPE. However, I thought that as part of your background you should have the opportunity to see through the eyes of the then D/DCI/NIPE how he viewed the development of a community mechanism to display resources and functions and targets.

4. There are numerous documents backing up this history. I am holding them until the Hall briefing is over; then I will be returning them to [redacted] files. In the meantime, you may want to look at some of them, and if so, I will have them handy.

5. I have not called this to Mr. Tweedy's attention. Do you think I should?

Attachment

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VII. A Consolidated Presentation of Intelligence Resources (TOD and CIRIS)

It will be remembered that in Mr. McCone's original letter announcing Gross' appointment the need for an inventory of intelligence resources was mentioned. Quite obviously some kind of consolidated presentation of intelligence activities with costs was a highly desirable facility for program evaluation purposes. The trouble was that the programs of the Intelligence Community were submitted in four different packages, all of which used different vocabularies and were broken down in different categories determined by the parochial needs of the individual components concerned to describe their activities, objectives and resources. The costs of the SIGINT community were prepared in the Consolidated Cryptologic Program (CCP) in terms of 60 sub-elements, each one of which was concerned with some particular aspect of the SIGINT program. Some of these sub-elements dealt with substantive coverage,

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etc. or with what were essentially matters of administration ^{or} support. The CCP not only included the cost of the National Security Agency but also the cost of the activities of the cryptologic agencies of the Military Services. The latter were ultimately budgeted through the individual military departments.

The activities for which DIA was responsible, including service attaches, some peripheral reconnaissance, mapping and charting, etc. were presented in the Consolidated Intelligence Program (CIP) which, as in the case of NSA, included the costs of DIA and also of those intelligence activities of the Military Services and overseas commands which were conducted under the overall supervision of DIA. The costs of the National Reconnaissance Program (NRP)

were reviewed by the Executive Committee of the NRO on the basis of a presentation prepared by the D/NRO on which interested participants in the Program were afforded an opportunity to comment. Finally the CIA program was formulated on the basis of categories which were decidedly different from those of any other program and which were particularly suited to the needs of CIA.

In the early days of the Staff various discussions were held with representatives of Defense agencies, particularly, DIA, with a view to determining whether some consolidated presentation of intelligence resources was feasible. It was reasonably obvious that the authority to enforce the formidable rearrangement of reporting procedures necessary to accomplish a consolidated program was completely lacking. The DCI had a general coordinating responsibility but no specific authority in this matter, and no element of the Defense Department was competent to carry through such a scheme in the absence of strong backing from the Secretary of Defense personally. Bross explained the problem to the then Assistant Director of the Bureau of the Budget on a number of occasions and as of the Summer of 1966 it was generally agreed that the NIPE Staff would continue on an ad hoc basis to assimilate information concerning the costs of the activities of the several agencies and programs engaged in intelligence and consolidate data for the purpose of showing how much money was spent on intelligence aimed at coverage of the Soviet Union or the Middle East countries, or for training, etc., etc., but no attempt would be made to accomplish a formal combined program presentation.

Mr. Roy Tod, whose background included some twenty years of intensive experience with intelligence, both military and civilian, preceded by training as a financial analyst on Wall Street, was responsible for this "do it yourself" approach to the acquisition of managerial data. His energetic, imaginative and resourceful efforts resulted in the compilation of voluminous data on all aspects of the intelligence effort. By 1965 he was in a position to furnish the PFIAB with reasonable approximations of the total cost of intelligence including the totality of expenditures and personnel charged against each individual agency or major subordinate component^s of the Community or against major functional activities such as "Positive Intelligence" (which in turn consisted of "collection", "processing," or "production") and other principal types of intelligence activity. Also, the general cost of coverage of ^{the Union} some geographic targets such as Soviet Russia was developed from this data. Thus, by 1965 a very considerable beginning had been made towards the establishment of a central depository of information about the cost of various activities, programs and functions involved in U. S. foreign intelligence.

In the Fall of 1966 the decision not to press for authority for a formal consolidated presentation of intelligence programs was reversed. As the result of a review of the requirements process, initiated by the BOB, the Director of the Bureau of the Budget concluded that a consolidated "display" of resources used by the Intelligence Community, arrayed against the objectives against which they were targeted was an essential prerequisite to further progress towards rationalizing and reducing expenses for intelligence

purposes. The views of the Director, BOB, in this respect were submitted in a letter dated October 29, 1966 to the Director of Central Intelligence who agreed that a consolidated presentation of intelligence resources should be developed. A similar proposal to the Secretary of Defense* met with approval although a memorandum directing establishment of a "target-oriented display" of Defense intelligence resources was only issued by the Deputy Secretary of Defense, Cyrus Vance, on 8 April 1967. It was also agreed that a committee of representatives of the DCI, DOD and BOB should be constituted to develop terms of reference for the display.

Terms of reference for preparation of the so-called "display" were finally approved on 1 August 1967. In the meantime an interagency working group to work out the format for the display had been established, with representation from Defense (Systems Analysis) and the Bureau of the Budget which was chaired by [redacted] of the NIPE Staff. Advisory representatives to this group were designated by various agencies of the Community.

After rather prolonged consultation, during the course of which some rather heated differences of opinion developed with respect to the general structure and kinds of categories appropriate for a consolidated presentation on intelligence resources, agreement was finally reached in November of 1967 on the format for what became known as the first TOD.

There were several kinds and levels of differences in reaching agreement on the first TOD's structure. One was between the various echelons of the Defense Department and the representative of the DCI (generally supported by the Bureau of the Budget). Responsibility for overall supervision of DOD's

interest in the TOD had been given by Mr. Nitze, Deputy Secretary of Defense, to the Assistant Secretary for Administration, Mr. Horwitz. Actual responsibility for negotiations and for recommendations about the format of the TOD, however, was given to the Assistant Secretary for Systems Analysis, Alain Entoven, who delegated responsibility to his Deputy, Dr. Ivan Selin, who in turn depended heavily on the advice of his assistant, Dr. William Wollenberg. Generally speaking, Systems Analysis pressed for categories such as "early warning" which involved implicit subjective judgments and did not appear to the representative of the DCI as realistic or practical at that initial stage of TOD. It is possible to say that such and such a program is targeted against Russia. Whether or not it produces "early warning", however, is a matter involving an evaluative conclusion. "Early warning" implies something more than a category heading for reporting basic factual data. Accordingly one level of dispute existed at the level of the Committee representing the DCI, Secretary of Defense and BOB and charged with developing the format, categories and general procedure for the TOD. At this level the views of the DCI representative prevailed.

A second level of dispute involved the attitudes of the participating intelligence agencies, particularly NSA. Ultimately all the agencies, except NSA, agreed to participate and submit data in conformity with the categories which had been developed. NSA consistently resisted efforts to require submissions which NSA insisted were incompatible with their own established way of presenting management data. This was partially a manifestation of NSA's customary resistance to any kind of outside managerial supervision. It also

reflected, in part, genuine inability on the part of NSA to break out many of its costs in terms of rather specific target categories. It was very difficult for NSA, honestly, to know the costs

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Although NSA

did contribute data called for in the first TOD submission, which was completed in December 1968, the problem of the degree to which NSA could be relied upon to respond to the requirements of a consolidated display ^{was} ~~with~~ a matter of continuing negotiation until 1970.

A third and different kind of problem, which can better be characterized as an uncertainty rather than a dispute, was the question of whose responsibility it really was to preside over the development of the TOD and maintain its safe custody. Initially the Secretary of Defense proposed that the Committee established to formulate terms of reference for the TOD be chaired by a Defense Department official, Mr. Herbert Benington (then with Systems Analysis). This was acceptable as a first move but the DCI was reluctant to lose control of the TOD for two reasons. As he wrote the Deputy Secretary of Defense*:

"In order to be useful the categories included in the display will have to be formulated with due regard to national intelligence objectives and targets as they are

*See letter to Cyrus Vance, dated April 19, 1967

established in USIB and my representatives should be helpful in ensuring that this is done.

"In view of the sensitivity of the data involved and in light of my statutory responsibility for protection of intelligence sources and methods, we will want to ensure that adequate procedures are established to safeguard the information displayed."

A substantial dilemma, however, was presented. The DCI was concerned with the categories used in the TOD and the security of its information. On the other hand it was recognized that the DCI and his representative had no authority whatever to issue calls or require submission of data from components of the Defense Department

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Ultimately it was decided to resolve this dilemma in favor of DCI control and on 27 June 1967 Bross wrote Solis Horwitz, the Assistant Secretary of Defense for Administration, offering to assume responsibility for acting as chairman of the Committee responsible for completion and presentation of the TOD. An unspoken assumption underlying the decision to ask for the chairmanship was the realization that only the DCI staff, with its immediate access to the facilities of CIA and USIB machinery, possessed the knowledge of intelligence and the continuity necessary to make the project a success.

Agreement on this proposal was obtained and the Interagency TOD Committee worked productively under the general direction of D/DCI/NIPE and ASD(SA) to produce TOD-I in 1967-8 and TOD-II in 1968-9. As to who

should be the custodian of the TOD and responsible for its security, with the creation of the National Intelligence Resources Board in May 1968, it was decided, with the Deputy Secretary of Defense's concurrence, that the NIRB should be responsible for custody.*

Largely as a result of the persistence and diplomacy of [redacted] 25X1 agreement was finally reached on the composition of the data and the format for the first consolidated presentation which was finally completed in December of 1968.

With the advent of a new Administration a question, of course, arose concerning the viability of the TOD. The DCI, however, was prepared to defend it as an essential basis for the assertion of his coordinating authority. The new Assistant Secretary of Defense for Administration, Mr. Robert Froehlke, immediately saw the value of the TOD as a management tool for his new office and also moved to its defense.

The principal obstacle to smooth development of a perennial TOD presentation continued to be NSA. As chairman of the interagency working group on the TOD, [redacted] carried the main burden of negotiations on this front which was by no means painless. He was assisted by Mr. Seidel who was later loaned to Mr. Froehlke's staff for a period that lasted about a year. Mr. Seidel contributed substantially to the education of the Froehlke staff and indeed participated as a Defense Department representative in discussions with representatives of NSA, DIA and other components of the Community designed to achieve agreement on a new structure and format for the TOD.

*See letter from Bross to Horwitz, dated 22 April 1968.

The new Director of NSA, Vice Admiral Noel Gayler,* was particularly adamant in his opposition to the whole concept of the TOD. Although he conceded the need of the Secretary of Defense's representative for information required for overall managerial review purposes and the need of the DCI for information on resources for coordination purposes, he felt that the kind and amount of data required for the TOD (or indeed for any other overall presentation of administrative type data which was proposed) was grossly excessive. He continued consistently to oppose the TOD largely on the (not always acknowledged) grounds that it was calculated to induce detailed interference with his managerial authority by outsiders (the DCI and his representatives) or superior echelons (Mr. Froehlke's office).

These issues were the subject of debate in the NIRB during the course of which [redacted] gave a series of lucid and effective presentations on the objectives, history, design and present status of the effort to achieve a comprehensive, consolidated, display, for managerial and coordinating purposes, of intelligence resources, arrayed by target, function and agency. In addition, cross walks were constructed so that the TOD could be related to resources tabulations as prepared by the ASD (Comptroller) and by CIA's O/PPB. Thus, these figures provided control totals which TOD displayed in target terms, a type of visibility that could not be accomplished in traditional budget-type presentations.

Mr. Froehlke continued to be impressed with the necessity of continuing the TOD, or something like it. He suggested one concession which was to

*Appointed in July 1969

change its name. As so much opposition had developed around the "TOD" he thought that something might be gained by calling it something else. Accordingly, it was decided to adopt the designation Consolidated Intelligence Resources Informational System (CIRIS) instead of TOD. This was, in fact, a better title since the consolidated presentation was intended to relate resources to intelligence missions and functions as well as to the geographic and subject targets of the intelligence activities.

With Mr. Froehlke's support for the basic issue -- the continued need for a consolidated presentation -- the NIRB stood firm, and agreement was finally reached on the format for the display required for resources programmed for the third annual TOD/CIRIS exercise. This was carried on in Calendar Year 1970 and focused on FY71. The Intelligence and Research Bureau of the Department of State, under Ray Cline, added its resources information to CIRIS as Mr. Cline joined as a member of the NIRB.

As of December 1970, therefore, the concept of what originally had been the TOD was accepted and work was going forward. In the meantime [redacted] in the name of the DCI had long since worked out arrangements with CIA for machine processing the data received as a service of common concern to Community managers. Equipment for a terminal was procured and installed in new space made available in the CIA Headquarters Building to accommodate and provide secure facilities for CIRIS and its staff. Technical and security problems involved in installing a similar terminal, tied to CIA's computer, in the offices of the Deputy Assistant Secretary of Defense (Intelligence) in the Pentagon were under investigation.

As the year 1970 closed it appeared that the DCI had achieved centralized control of a reporting mechanism capable of providing information, in depth and pretty much as needed, about the resources deployed or in process of development by the U. S. Government for national foreign intelligence purposes.